

**CHAPTER NO. 816****SENATE BILL NO. 3336****By Beavers****Substituted for: House Bill No. 3355****By Buck, Bone**

AN ACT to amend Tennessee Code Annotated, Section 7-82-307, relative to certain multi-county utility districts having a service area primarily located in any county having a population of not less than seventeen thousand four hundred (17,400) nor more than seventeen thousand four hundred fifty (17,450), according to the 2000 federal census or any subsequent federal census.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-82-307, is amended by adding the following language as a new, appropriately designated subsection:

(\_\_\_) (1) Notwithstanding any provision of this section or any other law to the contrary, the membership of the board of commissioners for any multi-county water utility district, whose principal office is located in, and whose present service area primarily lies within, the boundaries of any county having a population of not less than seventeen thousand four hundred (17,400) nor more than seventeen thousand four hundred fifty (17,450), according to the 2000 federal census or any subsequent federal census and containing and physically divided by a United States government corps of engineers dam and reservoir project of thirty-four thousand (34,000) acres, shall be as provided in this subsection. On the effective date of this act, board membership from the county containing the principal office and the primary service area of such utility district shall be increased by two (2) members giving such county three (3) members on the board. The other two (2) counties within the service area having not less than one hundred fifty (150) customers shall be represented by one (1) board member from each such county and the two (2) present board members shall continue to serve on the board for the remainder of their terms and be appointed from such counties as otherwise provided by law.

(2) The two (2) new members of the board of commissioners added pursuant to subdivision (1) shall be filled by appointment of the county mayor of the county containing the principal office and the primary service area of such utility district. As soon as possible after the effective date of this act, the existing board of commissioners shall select three (3) nominees for each of such two (2) new members, in full accordance with any residential requirements that may apply to the office created, and under the seal of the board of commissioners, shall certify such lists of nominees to such county mayor. Within twenty-one (21) days after the issuance of certification by the board of commissioners to the county mayor, the county mayor may enter an order either appointing one (1) of the nominees from each such list or rejecting one of the lists or both lists. Any order either appointing or rejecting a list of nominees shall be entered of record

on the minutes of the county legislative body and a certified copy thereof shall be furnished to the board of commissioners and to the appointee; provided, that upon the rejection of any entire list of nominees by the county mayor, the board of commissioners shall continue to submit new nonidentical lists of three (3) nominees to the county mayor within sixty (60) days after each such rejection until such procedure shall result in the position being filled for the new term, as herein provided. If the county mayor fails to make an appointment for a position from such list or lists following three (3) submissions for such position, then the county mayor shall appoint the director or directors for such position or positions, as the case may be, without any further nominations.

(3) Notwithstanding any provision of this section or any other law to the contrary, within two (2) weeks after the occurrence of a vacancy in the office of any commissioner and no later than thirty (30) days prior to the scheduled expiration of the term of office of any incumbent commissioner, the board of commissioners or its remaining members shall select three (3) nominees to fill such office, in full accordance with residential requirements applicable to the office vacated or to be vacated, and, under the seal of the board of commissioners, shall certify such list of nominees to the county mayor of the county whose representation on the board will be directly affected by the vacancy. Copies shall also be sent to the county mayors of the other two (2) counties. If all three (3) nominees are rejected by the mayor of the affected county, then the nominating process shall be repeated and repeated again, if necessary. Thereafter, without any further nominations, the county mayor shall appoint a person to fill such vacancy for the remainder of the term or for the next term of office.

(4) Notwithstanding any provision of this section or any other law to the contrary, any member of the board of commissioners appointed by a county mayor in the water utility district described in subdivision (1) shall not have to be approved by the other county mayors in such district.

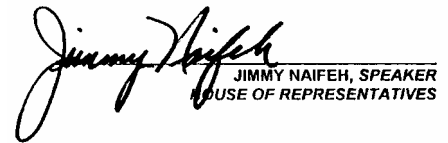
(5) No later than January 31 of each year the chairman of the board of commissioners shall certify the number of customers within each county and mail a list of customers from each such county to the appropriate county mayor.

(6) Notwithstanding any provision of this section or any other law to the contrary, no contract entered into or renewed after the effective date of this act for the sale of water to a water utility district described in subdivision (1) shall, and it is against public policy for such a contract to, contain a clause which prohibits the district from lawfully selling water to other municipalities or governmental entities.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

PASSED: May 20, 2004

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 3<sup>rd</sup> day of June 2004

  
PHIL BREDESEN, GOVERNOR